TELECOMMUNICATIONS/Cable Basic Tier Services Regulation

Telecommunications Competition and Deregulation Act of 1995 . . . S. 652. Pressler motion to table the SUBJECT: Boxer/Levin modified amendment No. 1340.

ACTION: MOTION TO TABLE AGREED TO, 60-38

SYNOPSIS: As reported, S. 652, the Telecommunications Competition and Deregulation Act of 1995, will amend telecommunications laws and reduce regulations in order to promote competition in the telecommunications industry by eliminating barriers that prevent telephone companies, cable companies, and broadcasters from entering one another's markets. It will also permit electric utilities to enter the cable and telephone markets. Judicial control of telecommunications policy, including

the "Modified Final Judgment" regime, will be terminated.

The Boxer amendment, as modified, would add that a cable operator would not be permitted to cease to furnish as part of its basic service tier any programming that was part of such basic service tier on January 1, 1995, unless the franchising authority for the franchise area concerned approved the action. The amendment would expire 3 years after the date of enactment of this bill.

Debate was limited by unanimous consent. Following debate, Senator Pressler moved to table the amendment. Generally, those favoring the motion to table opposed the amendment; those opposing the motion to table favored the amendment.

Those favoring the motion to table contended:

Even under the current regulatory scheme we do not dictate exactly which channels must be carried on a cable company's basic tier as proposed in the Boxer amendment. Some particular channels must be carried, but beyond those few channels cable companies have discretion to decide which channels will be on their basic tiers. Basic tier programming, not surprisingly, is in constant flux as cable companies adjust to market demands. This bill will in no way change these requirements. The current must-carry signals will still have to be carried on basic tiers, and companies will still be able to carry any other programming they wish on those tiers. Though this bill will not change basic requirements, it will make other changes that should improve all levels of cable service. By

(See other side)

| YEAS (60) | | | NAYS (38) | | | NOT VOTING (1) | |
|---|--|---|----------------|--|---|---|--|
| Republicans Democrats | | Republicans | Democrats | | Republicans Democrats | | |
| (50 or 96%) (10 or 22%) | | (10 or 22%) | (2 or 4%) | (36 or 78%) | | (1) | (0) |
| Abraham Ashcroft Bennett Bond Brown Burns Campbell Chafee Coats Cochran Coverdell Craig D'Amato DeWine Dole Domenici Faircloth Frist Gorton Gramm Grams Grassley Gregg Hatch Hatfield | Helms Hutchison Inhofe Kassebaum Kempthorne Kyl Lott Lugar McCain McConnell Murkowski Nickles Packwood Pressler Roth Santorum Shelby Simpson Smith Specter Stevens Thomas Thompson Thurmond Warner | Baucus Breaux Daschle Glenn Heflin Hollings Kerry Nunn Reid Rockefeller | Cohen Snowe | Akaka Biden Bingaman Boxer Bradley Bryan Bumpers Byrd Conrad Dodd Dorgan Exon Feingold Feinstein Ford Graham Harkin Inouye | Johnston Kennedy Kerrey Kohl Lautenberg Leahy Levin Lieberman Mikulski Moseley-Braun Moynihan Murray Pell Pryor Robb Sarbanes Simon Wellstone | VOTING PRE Mack EXPLANAT 1—Official 1 2—Necessar 3—Illness 4—Other SYMBOLS: AY—Annou AN—Annou PY—Paired PN—Paired | CION OF ABSENCE Buisiness ily Absent anced Yea anced Nay Yea |

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opening cable up to competition prices will drop and service will improve. Instead of having governments decide which channels people want to watch, the people will choose for themselves, by picking from among their many cable options the options that suit them best. Our colleagues have offered this amendment because they believe eliminating the current system of providing cable service through regulated monopolies will hurt consumers. They do not understand how private enterprise will be able to offer better and cheaper cable services than can the government with tightly regulated monopolies. Accordingly, they have proposed that for three years no programming service currently on a basic tier may be removed without express government approval. We oppose this proposal, because unlike our colleagues, we do not think that the best cable service that can be provided is that cable service which the government decides is best.

Those opposing the motion to table contended:

The road from regulation to the free market in the cable industry is likely to be rocky. Over the next few years, as regulation of cable upper tiers lessens, companies are going to find it in their interest to move channels such as ESPN, TNT, and CNN off their basic tiers to their unregulated upper tiers. Once competition exists, we agree, it is likely that basic tiers will improve, but in the interim, before real competition exists, cable customers are about to lose valued programming to which they have become accustomed. Poorer customers, who buy only the basic service, should not have to forego their favorite channels for a few years while they wait for effective competition to their cable companies to emerge. Therefore, we have proposed the Boxer amendment, which for 3 years would stop companies from moving any programming off their basic tiers without prior government approval. This amendment makes a modest, sensible change to protect cable consumers. We urge Senators to give it their support.